

Mr. Speaker, the answer is simple. All of these groups oppose the outdated milk pricing system currently in effect. And yet soon, Mr. Speaker, this House will take up legislation that will raise milk prices for consumers and will reimpose a Soviet-style dairy policy.

Now, the antireform dairy folks, those who are supporting this legislation, House Resolution 1402, I believe should be ashamed of themselves. Now, there is one thing that we agree upon, myself and those who support H.R. 1402. We agree that our dairy farmers are hurting. No one understands the plight of dairy farmers better than I, better than any of us who come from States like Minnesota and Wisconsin. In the last 10 years, my State of Wisconsin has lost more dairy farms than most States ever had.

Mr. Speaker, to drive the point home in a very real way, please realize this: that by this time tomorrow, by this time tomorrow, Wisconsin will have lost five more dairy farms.

But despite that fact, the fact that we do need to do something, H.R. 1402 is the wrong way to go. It is the wrong way to go because it pits farmer against farmer, region against region, State versus State, through an outdated pricing policy that gives producers more money for their fluid milk based upon their proximity to the City of Eau Claire, Wisconsin.

Second, H.R. 1402 is the wrong way to go because it is based on typewriter era technology. This system was created over 60 years ago, 60 years ago when we did not have the interstate transportation system, when we did not have refrigerated trucks. It is an outdated policy.

The third reason is if, as if we needed more reasons, the third reason to reject H.R. 1402, quite frankly, it is a tax on milk to consumers. As a result of H.R. 1402 and the system it seeks to reinforce and reimpose, our consumers, consumers all across America, working families, will pay more for their milk to the tune of hundreds of millions of dollars each and every year.

We should oppose H.R. 1402 because it is antitrade, antifree-market, anti-competitive. At the very time when we are pushing nations all around the world to open up their markets, to become more entrepreneurial, more free-market based, here in this country, this bill would reimpose and reinforce trade barriers. It would block the flow of dairy products between the States. That is wrong-headed.

Finally, we should oppose H.R. 1402 and the system it seems to reimpose because it is absurd. Can my colleagues imagine if we priced oranges based upon the proximity, their proximity of production to the city of Miami, or if we paid more for computer software based upon how far it was located and produced from the city of Seattle, or chocolate from Hershey, Pennsylvania. No, we cannot, because we would never have such an absurd system, and yet,

that is exactly, that is precisely what we do for fluid milk. Producers get more for more fluid milk based upon how close they are to the City of Eau Claire.

It is time for reform; it is time to move into the 21st century using new technologies and market-based forces; it is the time now to reject H.R. 1402, to allow Secretary Glickman's reforms to go into effect.

#### FOREIGN OPERATIONS BILL CAN MAKE A DIFFERENCE IN PROMOTING PEACE AND PROSPERITY IN THE CAUCASUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, yesterday, this House voted to appoint Members to the House Senate Conference for the fiscal year 2000 foreign operations appropriations bill. This evening I want to call on the conferees to support certain key provisions to help the people of Armenia and Nagorno Karabagh and to promote the goals of peace and economic growth in the entire south Caucasus region.

During the August recess, several colleagues and I took part in a congressional delegation to the south Caucasus. Our itinerary included stops in Armenia, Nagorno Karabagh, and Azerbaijan. We met with the presidents and other political leaders, American business people and investors and aid workers implementing humanitarian assistance programs. We also had the opportunity to meet with people who had been victimized by the conflicts and the natural disasters that have struck the region.

I hope that our recent visit to Armenia, Nagorno Karabagh, and Azerbaijan has helped to generate added momentum for a negotiated settlement that could open up new avenues for greater regional integration and cooperation. I applaud the fact that the presidents of Armenia and Azerbaijan have met several times in the last few months in an effort to resolve the Karabagh conflict. In our meetings with all three presidents, we suppressed the importance of direct negotiations maintaining the 1994 cease-fire and other confidence-building measures.

The fiscal year 2000 foreign operations bill approved by the House and the Senate included a number of initiatives that will help to promote regional cooperation, security and economic growth in the southern Caucasus region. I appreciate the works of the appropriators and would ask the conferees to include the following items in the final version of this legislation.

First, Mr. Speaker, I hope the conferees will adopt the Senate earmark of \$90 million for Armenia with a sub earmark of \$15 million for the earthquake zone in the Gyumri area of northern Armenia which is still trying to recover from the devastating 1988 earth-

quake. It is important for the United States to maintain our support and partnership with Armenia as that country continues to make major strides towards democracy as evidenced by the May 30 parliamentary elections, as well as market reforms and increasing integration with the west. U.S. assistance also serves to offset the difficulties imposed on Armenia's people as a result of the blockades maintained by Azerbaijan and Turkey. The needs in the earthquake zone particularly for new housing construction requires special assistance.

I also strongly support the language in the House version directing the Agency for International Development to expedite delivery of \$20 million to the victims of Nagorno Karabagh, those victims residing in Nagorno Karabagh itself through September 30 of 2000. Last month in Stepanekart, I met with the organizations administering these aid programs and was impressed with their needs as well as their ability to deliver necessary services. This assistance previously appropriated, but not yet obligated, is as the House language makes clear not to be provided to the governments of Azerbaijan or Armenia.

I also urge the conferees to adopt the House language stating that the extent and timing of U.S. and multilateral assistance other than humanitarian assistance to the government of any country in the Caucasus region should be proportional to its willingness to cooperate with the Minsk Group and other efforts to resolve regional conflicts. The leaders of Armenia, Nagorno Karabagh, and Azerbaijan all understand the importance the U.S. places on progress being made with the peace process, and I stress the potential for a peace dividend in my discussions with the leaders in August and believe that all countries of the south Caucasus need to be mindful that U.S. assistance is dependent upon movement towards peace.

I also urge that the conferees adopt the House language supporting the confidence-building measures discussed in the April 1999 summit here in Washington in furtherance of a peaceful resolution of the NK conflict especially in the vicinity of Nagorno Karabagh. These measures include strengthening compliance with the cease-fire, studying post-conflict regional development such as transportation routes and infrastructure, establishing a youth exchange program and other collaborative initiatives to foster greater understanding among the parties, and reduce hostilities.

Finally, Mr. Speaker, I want to stress the importance of maintaining section 907 of the Freedom Support Act. There is a clear bipartisan support in both houses for preserving this law which restricts certain direct government-to-government assistance to Azerbaijan until that country lifts its blockades of Armenia and Nagorno Karabagh.

The bottom line is that the conditions for lifting section 907 have not